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Property Investments in West End Market and Palmetto Expo Center Reap Financial Rewards for the City of Greenville

Two properties purchased by the City of Greenville will bring financial gains for the City with an estimated value of close to \$4 million dollars. The money is to be realized from the sale of the West End Market property and the dissolution of the Textile Hall Corporation, as part of the purchase agreement for the Palmetto Expo Center.

The City of Greenville has received an offer of \$2.626 million from Dr. Joseph Moon, a local dentist and real estate investor, for the purchase of the West End Market, a 44,000 square foot mixed-use development in the Historic West End District.

The City purchased the property in 1993, after the original buildings – 2 cotton warehouses and a bowling alley – were donated to the City as part of a public-private partnership. The building renovations, streetscaping and related infrastructure were completed in 1995 and the City began leasing the property for office and commercial use.

The West End property was developed to serve as a catalyst for the revitalization of the Historic West End District. Specifically, the goals were to:

- Provide opportunity for business development
- Stabilize the market value of area properties
- Encourage preservations of the City's historic assets
- Stimulate development in the area

According to City Manager James Bourey, the City has realized these goals and believes now is the appropriate time to turn the West End Market over to private hands. "We were very pleased with the interest and the positive response we received

regarding the sale of the West End Market. It has validated City Council's foresight in investment in the West End District more than a decade ago" he says.

Once renovations costs and fees are paid, the City will net approximately \$1.9 million from the proceeds of the sale.

The acceptance will require two readings by City Council, the first of which will take place tonight at Council meeting. Once the proposal is accepted, Dr. Moon will have a 30-day due diligence period before closing.

Regarding another property, City Manager James Bourey notes that the City of Greenville has recently received an excess of \$1.1 million dollars from the Textile Hall Corporation, the previous owner of the Expo Center.

City Manager Bourey explains that when the City purchased the Palmetto Expo Center, they also received the rights to profits from the Textile Hall Corporation. The corporation is now in the process of dissolution after completing its final international textile show held in the Fall of 2004. The profits from the show have been estimated at the \$1.1 million. Additionally, it's been calculated that the economic impact on the community for the 2004 textile show exceeded \$7.5 million (more than the cost of the purchase of the facility).

In addition to this, proceeds received from the building itself will go to the Palmetto Expo Center. An anticipated quarter of a million dollars will be used for the reduction of annual operating expenses.

The City of Greenville purchased the Palmetto Expo Center in 2001 at a price tag of \$6.75 million.

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